

Says U.S. must deal with its own debt crisis

WASHINGTON, DC – U.S. Rep. Vern Buchanan (FL-13) today criticized the Obama Administration's plan to provide Egypt with \$1 billion in debt relief at a time when the United States is facing its own debt crisis.

The U.S. has already given Egypt \$150 million in emergency aid since the uprisings that forced out President Mubarak in February. Giving Egypt \$1 billion in debt relief when our own nation is on the road to bankruptcy makes absolutely no sense and just continues Washington's reckless spending decisions of the past decade. The Obama administration said this weekend that its decision to provide about \$1 billion in debt relief for Egypt would be part of a major economic aid package that also includes trade and investment incentives.

"At a time when America's debt exceeds \$14 trillion, we need to re-evaluate the financial assistance we provide to other countries," said Buchanan, Florida's only member of the powerful Ways & Means Committee. "Washington must focus on policies that grow the U.S. economy, create jobs and reduce the massive federal deficit. I urge the President to reconsider his plan to forgive Egypt's debt."

Egypt's finance and planning ministers visited Washington last month to seek forgiveness of the country's \$3.6 billion debt. Egypt pays about \$350 million a year to service the debt, which it incurred buying American farm products.

The U.S. Treasury recently reported that our country is on course to reach a record annual deficit of \$1.5 trillion. Last month, rating agency Standard & Poors (S&P) downgraded its outlook for America's long-term credit rating from "stable" to "negative." Buchanan noted that the current share of the federal debt is \$45,800 for every man, woman, and child in the United States

"We have to put an end to the irresponsible spending policies of the past that have created a mountain of debt for our children and grandchildren," said Buchanan.

Last week, Buchanan urged President Obama to freeze all foreign aid to Pakistan until its leaders can show they had no knowledge of Osama bin Laden's whereabouts. Buchanan is also a co-sponsor of Rep. Ted Poe's (R-TX) bill requiring the State Department to certify to Congress that Pakistan was not providing a sanctuary for the world's most wanted terrorist.